

#338-00

BOARD OF EDUCATION OF THE CITY :
OF BAYONNE, HUDSON COUNTY, :

PETITIONER, :

V. :

DR. LEO KLAGHOLZ, :
COMMISSIONER OF EDUCATION, :
AND NEW JERSEY STATE BOARD :
OF EDUCATION, :

RESPONDENTS. :

AND : COMMISSIONER OF EDUCATION

BOARD OF EDUCATION OF THE : DECISION
CITY OF HACKENSACK, :
BERGEN COUNTY, :

PETITIONER, :

V. :

DR. LEO KLAGHOLZ, :
COMMISSIONER OF EDUCATION, :
BRIAN W. CLYMER, NEW JERSEY :
STATE TREASURER, AND :
NEW JERSEY STATE BOARD OF :
EDUCATION, :

RESPONDENTS. :

SYNOPSIS

The Bayonne Board of Education challenged the method of State Aid distribution for the 1993-94 through 1995-1996 school years. During those years, the Legislature, with some small adjustments, froze State Aid at the amount distributed for the 1992-1993 school year. Petitioner challenged the state's determination to distribute State Aid to districts in the amount they had received in the 1992-1993 school year, rather than adjusting the amount each district would receive based on enrollment changes that had occurred in the districts. The same amount of State school aid, with adjustments as specified by the Legislature, was received by every school district regardless of enrollment changes since 1991. Petitioner argued that districts such as it, which experienced increases in enrollment, were improperly denied State Aid, while districts with declining enrollment received a windfall at the expense of districts such as Bayonne. As such, petitioner argued that the State's method for distributing State Aid was arbitrary, capricious and unreasonable.

In light of the testimony of witnesses, the ALJ found that the Department legitimately felt it had no discretion as to the manner in which the funds were to be distributed. The amount of State Aid was plainly established by the Legislature. The ALJ determined that the Board failed to show that respondent's interpretation of the laws was arbitrary, capricious, unreasonable or otherwise so improper as to warrant setting aside its determination. Petition was dismissed.

The Commissioner adopted findings and determination in Initial Decision as his own.

OCTOBER 10, 2000

OAL DKT. NOS. EDU 3764-98 AND EDU 5721-94, 6021-94 AND 1431-97 (ON REMAND)
AGENCY DKT. NOS. 70-4/94 AND 150-5/94

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The record of this matter and the Initial Decision of the Office of Administrative Law (OAL) have been reviewed. The parties filed no exceptions to the Initial Decision.¹

¹ As noted by the Administrative Law Judge in his decision (see Initial Decision at 4, 4.), Hackensack is no longer a party to this matter. Because of its extensive history, the matter's original caption was retained by the Commissioner for purposes of consistency and clarity.

Upon his independent and careful review of the record, which included transcripts of the hearing conducted at the OAL on June 3 and 4, 1999, the Commissioner determines to affirm the recommended decision of the OAL for the reasons well-expressed therein.

Accordingly, the decision of the OAL is adopted as the final determination in this matter and the within Petition of Appeal is hereby dismissed.

IT IS SO ORDERED.²

COMMISSIONER OF EDUCATION

Date of Decision: October 10, 2000

Date of Mailing: October 11, 2000

² This decision, as the Commissioner's final determination, may be appealed to the State Board of Education pursuant to *N.J.S.A. 18A:6-27 et seq.* and *N.J.A.C. 6A:4-1.1 et seq.*, within 30 days of its filing. Commissioner decisions are deemed filed three days after the date of mailing to the parties.